



Fair Political Practices Commission

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[www.fppc.ca.gov](http://www.fppc.ca.gov)

## NEWS RELEASE

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### **Commission wins appeal in ACRC, Connerly case**

#### ***FPPC seeks disclosure of identity of donors to failed Prop. 54 campaign***

The 3<sup>rd</sup> District Court of Appeal in Sacramento has affirmed a Sacramento Superior Court ruling which denied a motion to dismiss a lawsuit filed by the Fair Political Practices Commission against the American Civil Rights Coalition (ACRC) and its CEO, Ward Connerly, for violating campaign disclosure laws in the unsuccessful campaign for passage of Proposition 54 in the Nov. 7, 2003, special election.

The appellate court, which held a hearing Aug. 16 on ACRC's appeal of the Superior Court ruling, returned the case for hearing in the lower court. In an 11-page ruling issued on Aug. 26, Acting Presiding Justice Richard Sims, and Justices Ronald Robie and George Nicholson ruled on procedural grounds and did not address the substantive issues in the case.

Superior Court Judge Thomas Cecil denied the ACRC motion to strike last Dec. 3 on the procedural grounds that ACRC failed to set the motion for hearing within the required time limits. He also ruled that such a motion to strike did not apply to an FPPC enforcement action, and -- even if it did apply -- the motion must be denied for lack of merit. A hearing on the case was postponed while ACRC filed an appeal. The three-judge appellate panel affirmed Cecil's ruling on the timeliness grounds without addressing the other issues.

The commission alleged in the lawsuit -- filed Sept. 3, 2003, in Superior Court after Connerly and ACRC declined to participate in settlement negotiations -- that ACRC and Connerly violated disclosure laws by failing to file campaign statements reporting the source of almost \$2 million contributed to promote passage of Prop. 54, which was defeated in the November special recall election. The judge did not issue a preliminary injunction before the election, as the FPPC had requested.

The FPPC contends that ACRC contributed more than \$1.9 million to the Proposition 54 committee since 2001 -- or approximately 88 percent of all of the contributions received by the committee. Based on information the commission received from Connerly, the FPPC contends ACRC received the contributions from various donors. The organization is required by the Political Reform Act to disclose in campaign reports the identities of those donors. ACRC and Connerly refused to file statements disclosing these contributors, leaving voters without any information about who financed the campaign in behalf of the initiative.

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**The appellate court ruling and other legal documents in the case are available on the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov), under “litigation” on the home page.**

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